Government of Saskatchewan

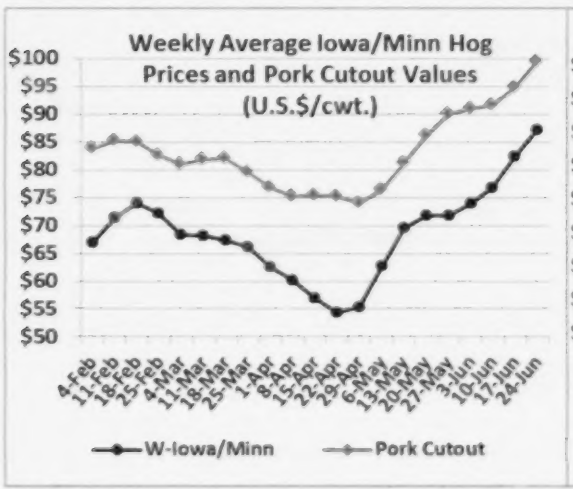
This information is provided as a resource by Saskatchewan Agriculture staff.
All prices are in Canadian dollars unless otherwise noted.
Please use this information at your own risk.

Weekly Hog Report

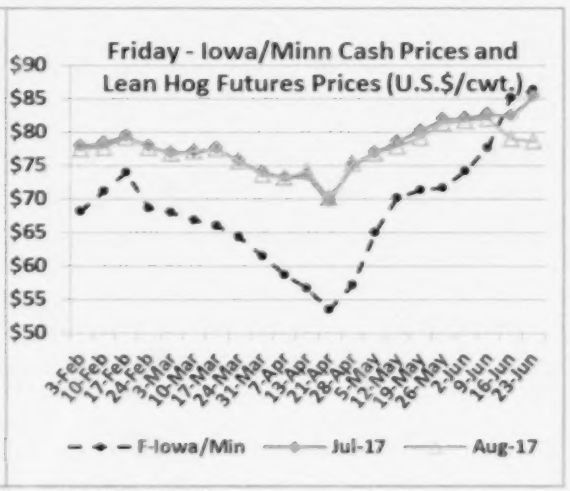
June 26, 2017

Cash Slaughter Weight Hog Prices

United States daily average cash hog prices (Iowa/Minn) moved higher last week. Hog prices on Friday June 23 averaged US$86.38 per cwt, up US$1.14 per cwt or 1.3 per cent from US$85.24 per cwt the previous Friday. The negotiated weekly base price last week averaged US$87.08 per cwt, up US$4.70 per cwt or 5.7 per cent from US$82.38 per cwt the previous week. Slaughter weight cash hog prices were higher on continued seasonal strength and higher packer margins as pork cutout values moved higher.



Source: LMIC



Source: LMIC, CME

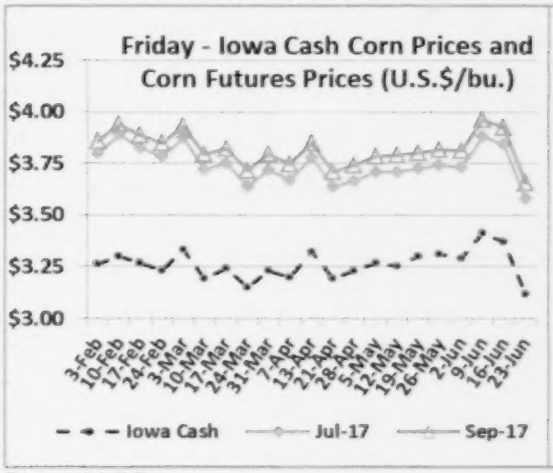
In Canada, the Signature#5 (Maple Leaf) Index 100 daily price for Friday June 23, 2017 was $210.59 per ckg, up $9.81 per ckg or 4.9 per cent from $200.78 per ckg the previous Friday. Signature#5 weekly prices (Friday to Thursday) averaged $207.56 per ckg, up $12.36 per ckg or 6.3 per cent from the previous weeks' average price of $195.20 per ckg. The Canadian dollar edged lower to settle last Friday at 75.37 cents, down 0.20 cents from 75.57 cents the previous Friday.

Futures Markets

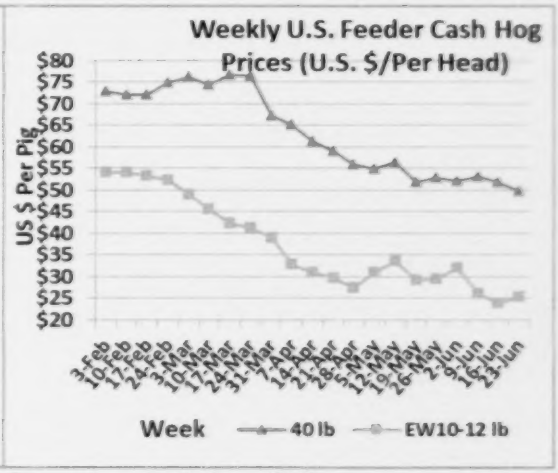
United States lean hog futures daily prices were higher early in the week but lower Thursday and Friday to end the week mixed, week-over-week. The nearby July lean hog futures contract increased US$2.975 per cwt last week to settle Friday at US$85.300 per cwt; while the August lean hog futures contract declined US$0.475 per cwt to settle last Friday at US$78.650 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices were mixed last week. Weighted average cash prices for iso-weans (12lb) last week were US$25.29 per head, up US$1.58 per head or 6.7 per cent from US$23.71 per head the previous week. Feeders (40lb) averaged US$49.82 per head, down US$1.87 per head or 3.6 per cent from US$51.69 per head, the previous week.



Source: LMIC



Source: Iowa Agriculture, CME

Iowa cash corn prices settled last Friday at US$3.12 per bushel, down 25 cents from US$3.37 per bushel the previous Friday. Daily corn futures were lower through the week and down almost 9 cents last Monday to push prices lower. The July contract declined over 26 cents per bushel to settle Friday at US$3.57 ¾ per bushel, while the September contract also declined over 26 cents to settle Friday at 3.65 ½ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending June 23 were estimated at 2.144 million head, down 1.6 per cent from 2.179 million head the previous week, but up 2.3 per cent from 2.095 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last four weeks have averaged about 2.126 million head, up 3.3 per cent from 2.058 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending June 17, 2017 were estimated at 409,990 head, up slightly from 409,116 head the previous week, and up 3.9 per cent from 394,618 head the same week a year ago. Canadian hog slaughter numbers over the last four weeks averaged 399,096 head, up 4.8 per cent from 380,744 head over the same period a year ago. Year-to-date, Canadian hog slaughter numbers totaled 10,004,696 head, up 1.8 per cent from the same period a year ago. (Source: AAFC/CFIA)

In Western Canada, federal and provincial hog slaughter numbers for the four weeks ending June 17, 2017 averaged 163,376 head, up 1.8 per cent from 160,444 head over the same period a year ago. Year-to-date, Western Canadian hog slaughter numbers totaled 4,121,958 head in 2017, up 2.4 per cent from the same period a year ago.

Meat Production

U.S. pork production for the week ending June 24, 2017 was estimated at 450.0 million lb., down 1.8 per cent from 458.1 million lb. the previous week, but up 2.8 per cent from 437.8 million lb. the same week a year ago. Pork production over the last four week's ending June 24 was estimated to average 446.4 million lb., up 2.7 per cent from 434.5 million lb. over the same four week period a year ago.

U.S. beef production for the week ending June 24 was estimated at 501.0 million lb., up 0.9 per cent from 496.4 million lb. the previous week, and up 1.4 per cent from 494.0 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending June 17, 2017, was estimated to average 2.058 billion lb., up 2.4 per cent from 2.010 billion lb. over the same four weeks a year ago. Year-to-date, total U.S. meat production for 2017 is estimated to be up 2.1 per cent compared to the same period in 2016.

United States Weekly Meat Production

(June 17) Four Week Average - Million Lb.			Percent Change	
	2016	2017	4 Week	YTD 2017
Pork	440.7	449.4	2.0%	3.0%
Beef	468.4	485.0	3.5%	4.3%
Chicken	972.2	994.6	2.3%	0.8%
Turkey	129.1	129.2	0.1%	0.6%
Total	**2,010.5**	**2,058.3**	**2.38%**	**2.10%**

Source: LMIC

Cutout Values

U.S. national pork cutout values for the week ending June 24, 2017 averaged US$99.44 per cwt, up US$4.70 per cwt or 5.0 per cent from US$94.74 per cwt the previous week, and up 12.0 per cent from US$88.77 per cwt from the same week a year ago.

Choice beef cutout prices (600-900 lb.) for the week ending June 24, 2017 averaged US$244.90 per cwt over the week, down US$5.96 per cwt or 2.4 per cent from US$250.86 per cwt the previous week, but up 12.9 per cent from US$216.82 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending June 24, 2017 averaged US$163.56 per cwt, up US$2.34 per cwt or 1.5 per cent from US$161.66 per cwt the previous week, and up 36.9 per cent from US$119.48 per cwt the same week a year ago.

Meat In U.S. Cold Storage

USDA released the latest U.S. cold storage numbers on June 22, 2017. The United States' pork stocks in cold storage totaled 592.1 million lb. on May 31, 2017, down 3.9 per cent from 616.1 million lb. on May 31, 2016, and down 0.5 per cent from 595.0 million lb. on April 30, 2017. U.S. pork stocks in cold storage for May 2017 were below the monthly 12-year highs; but above the 12-year average. Hams were noticeably higher while ribs were lower from the previous month (April 2017).

United States Stocks in Cold Storage (Frozen)

	1,000 Pounds		
Commodity	**31-May-2016**	**30-Apr-2017**	**31-May-2017**
Pork	616,124	594,971	592,127
Beef	461,683	458,418	412,872
Chicken	806,642	796,553	785,302
Turkey	454,147	471,512	533,565
Total Combined	**2,338,596**	**2,321,454**	**2,323,866**

Source: NASS

The U.S. beef stocks in cold storage totaled 412.9 million lb. on May 31, 2017, down 10.6 per cent from 461.7 million lb. on May 31, 2016, and down 9.9 per cent from 458.4 million lb. on April 30, 2017. Beef stocks in cold storage for May 31, 2017 were below the monthly 12-year highs; and below the monthly 12-year average.

Total pork, beef, chicken and turkey in cold storage on May 31, 2017 was at 2.324 billion lb., down 0.6 per cent from May 2016, but up slightly from April 30, 2017. U.S. meat in cold storage for May 31, 2017 was above the 12-year average; but below the previous record highs established in September 2016. The big changes in cold storage numbers from April to May 2017 saw turkey in cold storage up over 17 per cent; while beef in cold storage declined over ten per cent.

For more information contact:

Brad Marceniuk, PAg, MSc, BSA
Provincial Livestock Economist
(306) 933-5098
brad.marceniuk@gov.sk.ca